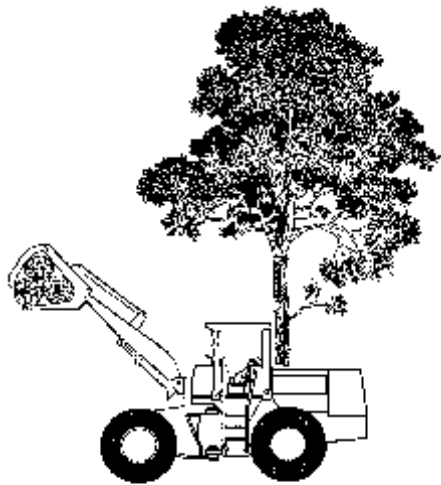
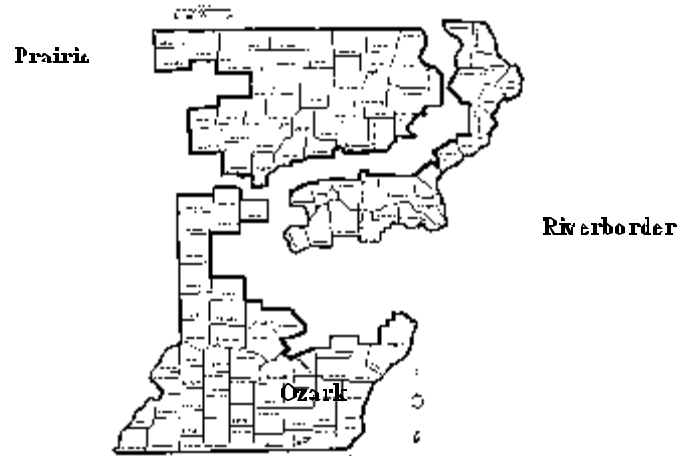


Missouri Timber Price Trends



Quarterly Market Report
Vol. 6 No. 1
January - March, 1996

Price Reporting Regions



Missouri Timber Price Trends tracks market prices for Stumpage and Delivered Logs. Reports on the Stumpage Market are received from Missouri Department of Conservation Resource Foresters and private consulting foresters. Stumpage refers to timber sold on the stump and does not reflect delivered mill prices. Reports on the Log Market give delivered log prices and are compiled from reports submitted by sawmills and other wood processing plants. These reports should serve as a **general** guide to track stumpage and delivered log prices. Landowners should not use this report to replace a timber inventory and marketing assistance as methods of conducting a sale. Missouri Department of Conservation Resource Foresters will be able to provide information on current, local market conditions. Details of all private sales and delivered prices are kept confidential.

Tree Scale Conversion Factors

Sawlogs - Veneer Logs

Int'l = Doyle x 1.52
Int'l = Scribner x 1.18

Pulpwood

Pine 5,200 lbs/cord
Hardwood (hard) 5,600 lbs/cord
Hardwood (soft) 4,200 lbs/cord

STATEWIDE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(January - March, 1996)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer							
White oak (group)	\$1210	\$325	\$810	\$705	\$995	5	47233
Pecan	\$525	\$525	\$525	-	-	1	15200
Sawlogs							
Ash	\$65	\$65	\$65	\$85	\$180	1	4560
Black Walnut	\$330	\$330	\$330	\$285	\$370	1	9120
Cottonwood	\$30	\$30	\$30	\$40	\$90	1	34960
Hackberry	\$65	\$65	\$65	-	\$90	1	10640
Hickory	\$130	\$130	\$130	\$70	\$95	1	232
Soft Maple	\$45	\$45	\$45	\$110	\$185	1	19456
Oak (mixed species)	\$185	\$50	\$75	\$105	\$305	14	5560546
Red oak (group)	\$210	\$55	\$130	\$235	\$165	11	742479
White oak (group)	\$210	\$80	\$125	\$195	\$155	11	323614
Pecan	\$100	\$100	\$100	-	-	1	106400
Mixed Hardwoods	\$150	\$35	\$65	\$65	\$120	13	1150247
Southern Yellow Pine	\$60	\$60	\$60	-	-	1	19725
Stave logs							
White oak (group)	\$230	\$130	\$195	\$210	\$225	5	43963
Scragwood							
Mixed Hardwoods	\$5	\$5	\$5	-	-	1	40 Cords

OZARK TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(January - March, 1996)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer							
White oak (group)	\$500	\$500	\$500	-	-	1	1573
Sawlogs							
Hickory	\$130	\$130	\$130	-	\$95	1	232
Oak (mixed species)	\$185	\$50	\$75	\$75	\$185	12	5521046
Red oak (group)	\$210	\$110	\$140	\$135	\$145	7	593379
White oak (group)	\$210	\$110	\$150	\$120	\$105	7	101594
Mixed Hardwoods	\$150	\$60	\$125	\$50	\$135	7	288738
Southern Yellow Pine	\$60	\$60	\$60	-	-	1	19725
Stave logs							
White oak (group)	\$220	\$130	\$190	\$155	\$225	3	29979
Scragwood							
Mixed Hardwoods	\$5	\$5	\$5	-	-	1	40 Cords

PRAIRIE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(January - March, 1996)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer							
White oak (group)	\$1210	\$1000	\$1085	\$655	\$925	3	29660
Pecan	\$525	\$525	\$525	-	-	1	15200
Sawlogs							
Ash	\$65	\$65	\$65	\$100	\$175	1	4560
Black Walnut	\$330	\$330	\$330	\$335	\$445	1	9120
Cottonwood	\$30	\$30	\$30	\$40	\$40	1	34960
Hackberry	\$65	\$65	\$65	-	\$90	1	10640
Soft Maple	\$45	\$45	\$45	\$110	\$185	1	19456
Oak (mixed species)	\$100	\$100	\$100	\$110	-	1	30000
Red oak (group)	\$200	\$60	\$90	\$195	-	2	115000
White oak (group)	\$145	\$80	\$100	\$195	\$135	3	126720
Pecan	\$100	\$100	\$100	-	-	1	106400
Mixed Hardwoods	\$50	\$35	\$45	\$50	\$45	5	849909
Stave logs							
White oak (group)	\$230	\$230	\$230	-	-	1	10640

RIVERBORDER TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(January - March, 1996)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer							
White oak (group)	\$325	\$325	\$325	\$715	\$1000	1	16000
Sawlogs							
Oak (mixed species)	\$50	\$50	\$50	\$130	\$375	1	9500
Red oak (group)	\$90	\$55	\$70	\$310	\$190	2	34100
White oak (group)	\$130	\$130	\$130	\$215	\$175	1	95300
Mixed Hardwoods	\$75	\$75	\$75	\$65	\$65	1	11600
Stave logs							
White oak (group)	\$130	\$130	\$130	\$285	-	1	3344

Missouri Log Market Report



Missouri Department of Conservation, Forestry Division University of Missouri, Forestry Extension Missouri Forest Products Association

Welcome to the **Missouri Log Market Report**. This report is intended to provide information on delivered log prices and market conditions for loggers and mill operators. Landowners can benefit by tracking market conditions for the various wood products harvested from a tree.

The Log Market Report is published as a cooperative effort of the Forestry Division of the Missouri Department of Conservation, University of Missouri-Extension and the Missouri Forest Products Association.

The report details prices for **Grade Logs** by species and grade; and prices for **Below Grade Logs** by species and intended end use, such as blocking, pallet lumber or ties. All prices are based on the average mean within the grade standard or product line. Absolute maximums or minimums are not reported. All prices are based on a thousand board feet unit using the International 1/4" Log Scale. Log grades used in this report are based on the following **minimum** criteria:

	Grade 1	Grade 2	Grade 3
Minimum Diameter	13-15"	11"	8"
Minimum Log Length	10'	8'	8'

We hope you find the information useful and will be working to expand the number of participating mills; reported species and products (veneer, etc); and the range of coverage for the report. All information provided by the participating mills is confidential.

If you have any questions, comments, or would like to participate in the reporting program, please call Shelby Jones at (314) 751-4115, Extension 109.

Average Statewide Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
 (January - March, 1996)

Veneer			
Species	High	Low	Average
Black Walnut	\$2165	\$1185	\$1500
White oak (group)	\$1705	\$1270	\$1440

*** 6 Mill(s) reporting.**

Sawlogs			
Species	Grade 1	Grade 2	Grade 3
Ash	\$240	\$155	\$75
Black Walnut	\$565	\$305	\$135
Cherry	\$285	\$150	\$75
Cottonwood	\$120	\$120	\$120
Eastern Redcedar	\$350	\$250	\$120
Elm	\$120	\$120	\$120
Hackberry	\$170	\$135	\$100
Hard Maple	\$365	-	\$30
Hickory	\$150	\$135	\$105
Pecan	\$120	\$120	\$120
Red oak (group)	\$370	\$235	\$145
Soft Maple	\$255	\$175	\$90
Southern Yellow Pine	\$175	\$150	\$150
Sycamore	\$150	\$120	\$100
White oak (group)	\$310	\$205	\$115

*** 16 Mill(s) reporting.**

Average Ozark Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
 (January - March, 1996)

Sawlogs			
Species	Grade 1	Grade 2	Grade 3
Ash	\$210	-	-
Black Walnut	\$220	-	\$60
Hickory	-	-	\$115
Red oak (group)	\$305	\$235	\$180
Southern Yellow Pine	\$175	\$150	\$150
White oak (group)	\$265	\$205	\$145

*** 9 Mill(s) reporting.**

Average Prairie Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
 (January - March, 1996)

Veneer			
Species	High	Low	Average
Black Walnut	\$4265	\$2130	\$2480
White oak (group)	\$2150	\$1570	\$1805

*** 3 Mill(s) reporting.**

Sawlogs			
Species	Grade 1	Grade 2	Grade 3
Ash	\$280	\$165	\$80
Black Walnut	\$475	\$245	\$90
Cherry	\$255	\$155	-
Hackberry	\$220	\$155	\$80
Hickory	\$185	\$155	\$80
Red oak (group)	\$490	\$285	\$125
Soft Maple	\$255	\$155	\$80
Sycamore	\$185	-	\$80
White oak (group)	\$405	\$235	\$125

*** 3 Mill(s) reporting.**

Average Riverborder Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
 (January - March, 1996)

Veneer			
Species	High	Low	Average
Black Walnut	\$1115	\$715	\$1010

*** 4 Mill(s) reporting.**

Sawlogs			
Species	Grade 1	Grade 2	Grade 3
Ash	\$220	\$145	\$70
Black Walnut	\$830	\$360	\$215
Cherry	\$300	\$150	\$75
Cottonwood	\$120	\$120	\$120
Eastern Redcedar	\$350	\$250	\$120
Elm	\$120	\$120	\$120
Hackberry	\$120	\$120	\$120
Hard Maple	\$365	-	\$30
Hickory	\$120	\$120	\$120
Pecan	\$120	\$120	\$120
Red oak (group)	\$400	\$195	\$110
Soft Maple	\$250	\$250	\$120
Sycamore	\$120	\$120	\$120
White oak (group)	\$290	\$185	\$75

*** 4 Mill(s) reporting.**

QUARTERLY MARKET CONDITIONS

21 mills, with a combined annual production of 83,667 million board feet, participated in the January - March, 1996 survey of log and lumber market conditions. In addition, foresters reported stumpage prices resulting from 29 timber sales containing 16,176,830 million board feet located throughout the state.

Log Markets

One thing is certain after reading through all the log market reports this quarter, the overall attitude among sawmill operators is pessimism. Nearly everyone seems to think business will be no better next quarter than in the first quarter. It was also interesting that the majority of mills reported operating at less than 100% capacity. What a difference a year makes!

Log inventories appear to be lowest in the Ozarks where many mills reported generally poor logging conditions for the quarter. However, it was not clear if mill operators were experiencing low log inventories because of the weather or simply to cut overhead costs. For example, many mills that reported low log inventories also indicated they did not plan to increase log purchases significantly in the second quarter. In general, sawmills indicate they will be operating under the yellow caution light for the next three months.

Log prices were generally reported about the same to lower than the previous quarter and this is reflected in the tables in most cases. Lower prices are fairly general across all grades, with the possible exception of tie logs in the Ozarks. Tie prices were up slightly for most mills.

Lumber prices causing the greatest impacts of delivered logs prices are as follows:

- 1) flooring lumber down slightly-primarily in the Ozark region
- 2) pallet lumber prices down for the second straight quarter-statewide
- 3) grade lumber prices down slightly in most species and grades. This including both white oak and red oak. Ash prices were down more than other species in the Prairie region.
- 4) the limited number of markets for pine lumber in the Ozark region are all down significantly, in some case causing mills to cease purchasing pine sawlogs.
- 5) white oak and walnut veneer prices held steady or improved slightly over the previous quarter. Activity in the veneer log market appeared to increase.

Second quarter delivered log prices will probably remain close to present levels. Lumber inventories are still generally high and business activity is not forecast to increase significantly. Muddy logging conditions could cause locally increased prices if specific mills experience critical shortages in log inventory. The majority of mills indicate they will build log inventories slowly and watch the market carefully.

Stumpage Markets

Stumpage markets are not nearly as easily characterized as log markets this quarter. There seems to be a lot of inconsistency in stumpage prices even within the same region. Generally speaking, stumpage prices are catching up to the lower prices for pallet lumber and cants, blocking, and other low grade products. A comment from one consultant forester indicated he had not encountered lower stumpage prices for mixed hardwoods in many years. Timber sales conducted with the assistance of a professional forester increased during the quarter if the number of reports coming into this office is an indicator of activity. A possible reason is that landowners were

Average Statewide Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(January - March, 1996)

Below Grade Logs

Species	Blocking	Pallets	Tie
Ash	\$115	\$110	\$120
Black Walnut	\$150	\$135	\$150
Cherry	\$150	\$150	\$150
Cottonwood	\$130	\$120	\$130
Eastern Redcedar	\$150	\$150	\$150
Elm	\$140	\$120	\$130
Gum	\$150	\$130	\$180
Hackberry	\$135	\$140	\$130
Hard Maple	\$160	\$140	\$180
Hickory	\$135	\$120	\$140
Pecan	\$150	\$135	\$150
Red oak (group)	\$140	\$120	\$145
Soft Maple	\$130	\$130	\$130
Southern Yellow Pine	\$165	\$150	\$180
Sycamore	\$130	\$120	\$140
White oak (group)	\$140	\$120	\$150

* 9 Mill(s) reporting.

waiting to get timber sales proceeds into a new tax year. Timber sales containing higher grade red oak and white oak still seem to be selling well. Prices for stave quality white oak appears to be down slightly, but there appears to be a slight increase in demand. Owners of high quality white oak should watch this market closely through the remainder of '96. This might be a bright spot in an otherwise gloomy outlook.

In the Ozark region, pine sawlog stumpage prices are likely to go even lower in the next few months. There is not much diversity in the marketplace for pine sawtimber in Missouri, making poor market condition felt throughout the pine range. However, don't despair too much. I predict changes will take place within the next year that may turn that situation around. The pine post market is steady and owners of pine plantations, in particular, can look for nice returns on thinnings.

Editor's Note:

Remember that one of the most valuable sources for information on log and timber markets is the local Missouri Department of Conservation Resource Forester. Contact the nearest Forest District office for up-to-date, local advice. The Missouri Department of Conservation's Forestry Division, (314) 751-4115, Extension 308, will be happy to provide you with the name and address of the Resource Forester or District Forest Office nearest to you. A directory of consultant foresters is also available free of charge from the same offices.

The advice of a professional forester is invaluable when making timber sale decisions. Landowners improve their opportunities for greater returns both immediately and in the future when they seek advice of a professional forester. Don't sell your timber without it!

HARDWOOD LUMBER GRADING SHORT COURSE

A hardwood lumber grading short course will be held on June 2, 3 and 4, 1996 in the West Plains-Koshkongong area of southern Missouri. Cosponsors are Ozark Mountain Hardwoods, the Missouri Forest Products Association and the Missouri Department of Conservation. Rich Deppen from the National Hardwood Lumber Association will be the instructor for the three day short course.

The contents of this short course features the standard hardwood lumber grades as applied to oak lumber. Instruction includes rule definitions, identifying lumber defects and applying the grade rules to green and dry lumber. Classroom sessions are combined with "hands on" grading of oak lumber to insure each student receives the maximum amount of practical training. There is time to ask questions and discuss proper handling of lumber to avoid defects associated during the drying and shipping processes.

Target audience for the short course are sawyers, edgermen, end trim saw operators, yard hands doing lumber separations, sales personnel or any one who needs a working knowledge of the standard grades of hardwood lumber, specifically oak.

To register for the course and request additional information about course fees and accommodations please contact Sandy at Missouri Forest Products Association, 573-634-3252, FAX 573-636-2591 or write to the Missouri Forest Products Association, 611 E. Capitol Suite #1, Jefferson City, MO 65101.

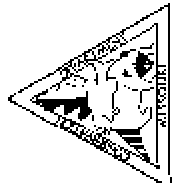
More Access to Timber Price Trends

Beginning with this issue, **Missouri Timber Price Trends** will be available to Internet users through the home page of the Missouri Dept. of Conservation, Forestry Division. The address for Internet users is <http://www.state.mo.us.conservation.welcome.html> This will get you to the MDC home page from which you can select the **Forestry** home page.

Electronic users of timber price information will have an advantage in being able to access the information within a couple of days of the end of each quarter. Published versions will not reach users until at least the third week following the end of the quarter. The delay in the published version is simply due to the printing and mailing process.

Two other home pages will continue to have access to quarterly **Missouri Timber Price Trends** as they have for past several quarters. If you are using gopher, the address is **ETCS.EXT.MISSOURI.EDU**. If you are using the world wide web browser the address is **HTTP://ETCS.EXT.MISSOURI.EDU:70/1/AGEBB**. Both of these access the files of AGEBB, the University of Missouri Ag Extension Bulletin Board.

As a reminder, even if you are not yet an Internet user, you can still access **Missouri Timber Price Trends** electronically through the Ag Extension Bulletin Board at the University of Missouri. The telephone access number is **573/882-8289**. AgEbb is an electronic network among farmers, agribusiness, University extension specialists, and faculty. There are no access fees, only the cost of the telephone call. Files can be downloaded to your computer to be read later, eliminating lengthy telephone usage. The bulletin board itself is menu driven and designed to be easy to use. You need only a computer equipped with a modem and communications software to use this form of electronic access. If you are new to this game, the University has a help line at **573/882-4827**. A real person will step you through the entire process.



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